

**MINUTES OF THE
JOINT CAPITAL FACILITIES & ADMINISTRATIVE SERVICES
APPROPRIATIONS SUBCOMMITTEE
THURSDAY, FEBRUARY 12, 2:00 P.M.
Room 403, State Capitol Building**

Members Present: Sen. Beverly Evans, Committee Co-Chair
Rep. Loraine T. Pace, Committee Co-Chair
Sen. Greg Bell
Sen. Mike Dmitrich
Rep. Roger Barrus
Rep. Ralph Becker
Rep. DeMar “Bud” Bowman
Rep. D. Gregg Buxton
Rep. David Clark
Rep. Stephen Clark
Rep. Wayne Harper
Rep. Brent H. Goodfellow

Staff Present: Kevin Walthers, Fiscal Analyst
Bonnie Brinton, Committee Secretary

Public Speakers Present: Camille Anthony, Executive Director, DAS
Steve Saltsgiver, Director, Fleet Operations
Keith Stepan, Executive Director, DFCM
Ken Nye, Deputy Director, DFCM
Judd Morgan, Interim President, SLCC
Loris Betz, President, University of Utah
Mike Perez, Vice President, University of Utah
Mark Spencer, Executive Director, USHE
Mike Chabries, Executive Director, Corrections
Fred Finlayson, Consultant, Salt Lake County

A list of visitors and a copy of handouts are filed with the committee minutes.

Co-Chair Pace called the meeting to order at 2:15 p.m.

1. Approval of DAS Rates and Fees

Kevin Walthers, Fiscal Analyst, discussed DAS rates and fees. He explained seven corrections and changes that he is proposing as an amendment to the rate listings. Mr. Walthers stated that he had consulted with DAS and the Governor's Office of Planning and Budget before proposing these technical changes.

Camille Anthony, Executive Director, DAS, responded to questions from Subcommittee members.

Steve Saltzgiver, Director, Fleet Operations, clarified concerns of Subcommittee members.

MOTION: Rep. Goodfellow moved to approve the DAS rates and fees including the seven changes. He also moved to approve the CFAS Funding Priorities List from the Subcommittee that funds items with money available in the Subcommittee and items that will need additional money--in reverse order. Also, he moved to report that all projects on the list are approved.

The motion passed unanimously with Rep. S. Clark absent at the time of voting.

2. Prioritization of Non-State Funded Projects

Judd Morgan, Interim President, Salt Lake Community College, reviewed the conclusion reached regarding the Metro Learning Center, which is explained in a letter from Donald L. Porter, Vice President of Business Services, distributed in the last meeting.

MOTION: Rep. Goodfellow moved to approve the list of Projects from Other Funding Sources and include the Tooele Court Lease Purchase project at a cost of \$7,100,000 and the Department of Public Safety Training Center - Planning Funds in the amount of \$250,000 on the Priority List.

The motion passed unanimously with Rep. S. Clark absent at the time of voting.

MOTION: Sen. Bell moved to not take any action on the Metro Learning Center at this time.

The motion passed unanimously with Rep. S. Clark absent at the time of voting.

3. Prioritization of State Funded Projects

MOTION: Rep. Goodfellow moved to have all Subcommittee members prioritize their own personal list and turn it in to the Analyst. He will consolidate the lists and report his findings for consideration in this meeting.

The motion passed unanimously with Rep. S. Clark absent at the time of voting.

Loris Betz, President, University of Utah, presented issues regarding funding for O&M, approval of funding for construction plans, and approval of Higher Education for projects from other funding sources. The discussion revolved around which approval comes first, funding for construction or funding for O&M.

MOTION: As a result of this discussion, Co-Chair Evans moved to send a letter to Higher Education and other agencies that are impacted informing them of the requests for O&M on projects from other funding sources.

The motion passed unanimously with Rep. S. Clark absent at the time of voting.

Mark Spencer, Executive Director, USHE, stated that O&M is second on the priority list for Higher Education. The cost of O&M is declining as new buildings with lower costs are being built.

Mr. Walthers reported that USHE is very responsible in the area of taking care of and tracking O&M.

The Analyst projected on the screen the compiled priority list from all Subcommittee members.

MOTION: Co-Chair Evans moved to take all projects off the list that didn't receive any votes, including the Tooele Court Replacement. Also, she moved to consider the Capitol Preservation Board funding as a separate item.

The motion passed unanimously with Rep. S. Clark absent at the time of voting.

Co-Chair Pace asked for a discussion on the Oxbow Jail issue. Mike Chabries, Executive Director, Corrections, testified of the critical need for this funding. Fred Finlayson, Consultant, Salt Lake County, reported on optional funding for this project.

MOTION: Rep. Buxton moved to assume \$25m of funding as the Subcommittee responsibility in addition to a \$40m bond.

SUBSTITUTE MOTION: Rep. Goodfellow moved to stay within the \$64m bond retirement limit and not include the Capitol renovation funding in this amount.

Rep. Becker suggested dividing the motion to separate the projects from the amounts in the possibility the amounts could be adjusted.

Rep. Buxton withdrew his motion.

The substitute motion passed with Sen. Bell and Reps. Pace, Barrus and Buxton voting in opposition to the motion.

MOTION: Rep. S. Clark moved to accept the top eight projects on the Priority list the Analyst compiled with a G.O. Bond of \$64,988,000:

Capital Improvements (0.9%)	\$ 43,976,900
WSU Swenson Remodel	\$ 5,569,000
SLCC Health Sciences (West Jordan)	\$ 21,000,000
SUU Teacher Education	\$ 10,000,000
Dixie Health Science	\$ 15,000,000
Utah National Guard - NSL Armory	\$ 2,719,000
UCAT Vernal	\$ 8,300,000
CEU San Juan Library	\$ 2,400,000

Total: \$108,964,900

Tax Funds Available: \$ 43,976,900

Rep. Becker stated that he believes the University of Utah is a critical project and should be funded.

SUBSTITUTE MOTION: Rep. Becker moved to move the U of U Library up into the funded projects.

The substitute motion failed with Rep. Becker voting in support of the motion.

The motion passed with Sen. Bell and Reps. Pace and Becker voting in opposition to the motion.

Co-Chair Pace recapped the bond issues. She stated that the funding for the Capitol building renovation must go on the General Obligation bond with the other projects. She explained her concern that if the amount of the bond is too high, the Executive Appropriations Committee will take the decisions out of the control of this Subcommittee. This would negate all the time, testimonies, study and deliberations of this Subcommittee.

Rep. Bowman stated his opinion that funding for the Capitol renovation should not have to come out of the money this Subcommittee has to distribute. He feels this money

should go to much needed projects that have been identified in this Subcommittee, and that funding should come from Transportation bonds or other sources of funding for the Capitol renovation.

MOTION: Rep. Goodfellow moved to adjourn the meeting.

The motion failed with Sen. Dmitrich and Reps. Pace, Becker and Goodfellow voting in support of the motion.

Rep. Harper asked what projects could be dropped in scope and cost. Mr. Stepan and Mr. Nye responded to this question. They stated that all projects had already been reduced in scope and cost except Dixie State College which could possibly be reduced.

Rep. Goodfellow suggested reducing the amounts on projects to enable more projects to get some funding, if not all they were requesting.

Rep. S. Clark stated his feeling that not funding the University of Utah Library project is a very difficult decision for this Subcommittee to make. Rep. Becker stated that not funding the University of Utah Library does not reflect the Higher Education Priority List which placed the Library project higher.

Sen. Bell expressed concern that the funding for the Capitol renovation will be included in the \$65m bonding request from this subcommittee, and that the Subcommittee will be accused of having failed to make appropriate decisions. Rep. Barrus agreed with Sen. Bell and stated that if Plan A as agreed upon does not get approved, the Subcommittee should have a Plan B.

Sen. Dmitrich stated that he believes the Priority List as approved by the Subcommittee will show the Executive Appropriations Committee that much hard work and consideration has gone into this List. He agrees that all members of the Subcommittee would like to see the U of U Library funded. If this List is not approved, the Subcommittee can arrange to meet again and reconsider.

Rep. S. Clark agreed with Rep. Buxton that other funding should be found to help with the renovating of the Capitol.

Rep. Goodfellow stated that now that the Subcommittee has approved a Priority List, all members should support this decision and work to get the \$65m bond.

The Analyst reviewed the Non-State Funded projects and the "no" votes on each project. The Subcommittee moved back to the State Funded projects list.

MOTION: Sen. Dmitrich moved to reduce the UCAT Southeast ATC project in the amount of \$200,000.

The motion passed with Rep. Harper voting in opposition to the bill.

MOTION: Rep. Goodfellow moved to approve the U of U College of Health Academic Center in the amount of \$15m.

The motion passed with Rep. D. Clark voting in opposition to the bill.

The Subcommittee moved to the list of Non-State Funded projects that showed voting by Subcommittee members.

MOTION: Rep. Becker moved to approve the U of U Geology/Geophysics Building in the amount of \$21,400,000.

The motion passed with Reps. D. Clark and Harper voting in opposition to the bill.

MOTION: Rep. Harper moved to approve the U of U Gauss House in the amount of \$7,600,000.

The motion passed with Rep. D. Clark voting in opposition to the bill.

MOTION: Sen. Dmitrich moved to approve the USU Housing and Parking Structure in the amount of \$35,500,000.

The motion passed with Reps. Barrus, D. Clark and Harper voting in opposition to the motion.

MOTION: Rep. Goodfellow moved to adjourn the meeting.

The motion passed unanimously.

The meeting was adjourned at 3:35 p.m. by Co-Chair Pace.

The minutes were reported by Bonnie Brinton, Secretary.

Sen. Beverly Evans
Committee Co-Chair

Rep. Loraine T. Pace
Committee Co-Chair

